

State Treasurer

Historical Summary

OPERATING BUDGET	FY 2008 Total App	FY 2008 Actual	FY 2009 Approp	FY 2010 Request	FY 2010 Gov Rec
BY DIVISION					
Treasurer, State	2,409,800	2,369,500	2,385,800	2,537,300	2,396,700
Idaho Millennium Fund	302,900	302,900	1,674,800	6,990,500	4,962,300
Total:	2,712,700	2,672,400	4,060,600	9,527,800	7,359,000
BY FUND CATEGORY					
General	1,695,400	1,693,600	1,710,300	1,709,200	1,556,900
Dedicated	1,017,300	978,800	2,350,300	7,818,600	5,802,100
Total:	2,712,700	2,672,400	4,060,600	9,527,800	7,359,000
Percent Change:		(1.5%)	51.9%	134.6%	81.2%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,448,000	1,368,800	1,484,300	1,829,500	1,916,100
Operating Expenditures	928,500	962,100	901,500	1,302,000	1,391,000
Capital Outlay	33,300	38,600	0	30,800	25,200
Trustee/Benefit	0	0	1,674,800	3,005,300	2,394,800
Lump Sum	302,900	302,900	0	3,360,200	1,631,900
Total:	2,712,700	2,672,400	4,060,600	9,527,800	7,359,000
Full-Time Positions (FTP)	18.00	18.00	18.00	18.00	21.00

Department Description

The State Treasurer is one of seven statewide elected officials in Idaho. It is the responsibility of the State Treasurer to serve as the banker for all Idaho agencies and to act as custodian of the public school endowment funds. The constitutional and statutory duties of this office include: 1) receiving of all revenues and fees due the state; 2) deposit of funds in banks throughout Idaho; 3) paying all accounts; and 4) investing surplus monies not needed for day-to-day operations.

The Idaho Millennium Fund is the repository of all funds received by the State of Idaho under the Master Tobacco Settlement Agreement reached between states and tobacco product manufacturers. These funds are managed and invested by the State Treasurer. Each year, 5% of the average market value of the Idaho Millennium Fund will be distributed and made available for legislative appropriation.

State Treasurer

Analyst: Headlee

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OPERATING BUDGET	FY 2008 Total App	FY 2008 Actual	FY 2009 Approp	FY 2010 Request	FY 2010 Gov Rec
BY FUND CATEGORY					
General	1,695,400	1,693,600	1,710,300	1,709,200	1,556,900
Dedicated	714,400	675,900	675,500	828,100	839,800
Total:	2,409,800	2,369,500	2,385,800	2,537,300	2,396,700
Percent Change:		(1.7%)	0.7%	6.4%	0.5%
BY OBJECT OF EXPENDITURE					
Personnel Costs	1,448,000	1,368,800	1,484,300	1,583,000	1,510,500
Operating Expenditures	928,500	962,100	901,500	923,500	861,000
Capital Outlay	33,300	38,600	0	30,800	25,200
Total:	2,409,800	2,369,500	2,385,800	2,537,300	2,396,700
Full-Time Positions (FTP)	18.00	18.00	18.00	18.00	18.00

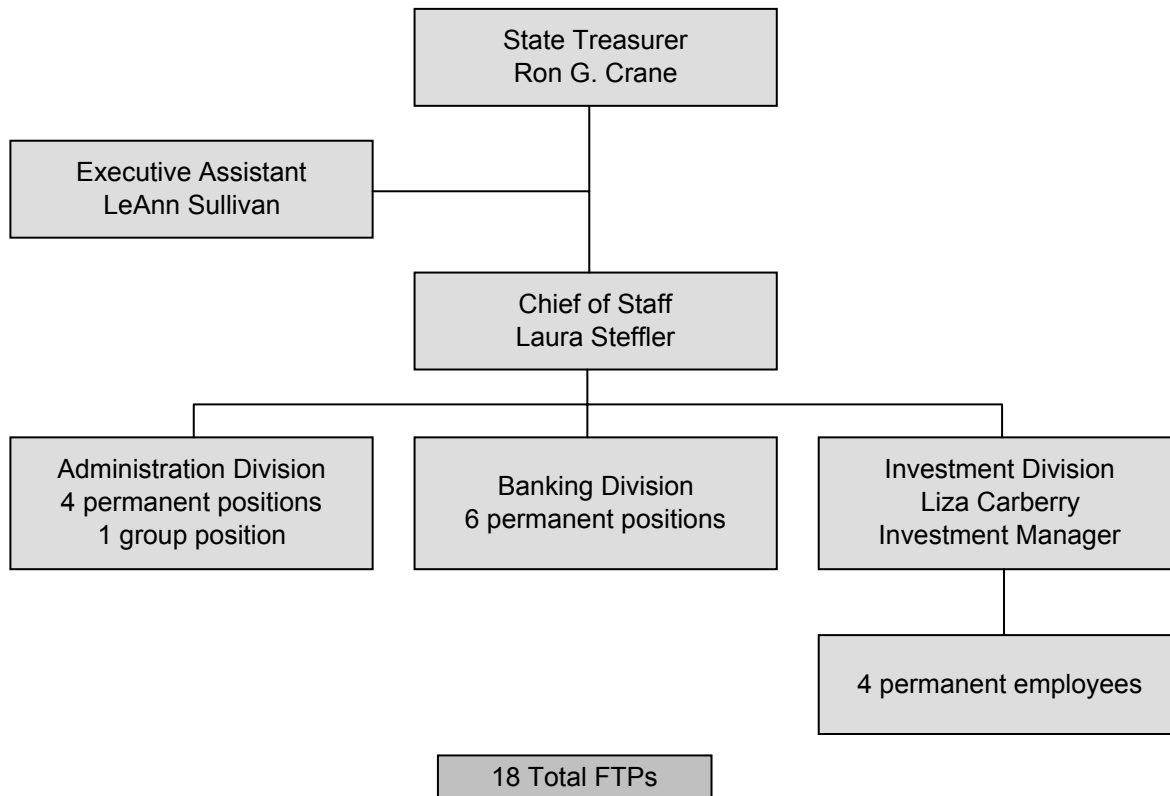
Division Description

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[Statutory Authority: Section 67-1201 et seq., Idaho Code]

State Treasurer Agency Profile

Analyst: Headlee



Source of Funds	FY 2008 Actual
General Funds (0001): Individual income tax, corporate income tax, sales tax, cigarette tax, beer tax, wine tax, liquor surcharge, kilowatt hour tax, mine license tax, Treasurer's interest on investments of certain idle state funds, court fees and fines, insurance premium tax, sale of alcoholic beverage licenses, unclaimed property, articles of incorporation and uniform commercial code filing fees, estate and transfer tax, and other miscellaneous sources from various agency receipts.	\$1,693,599
State Treasurer LGIP (0475-06): Derived from administrative fees collected from Local Government Investment Pool services.	\$341,825
Treasurer's Office - Professional Services (0475-07): Derived from interest earnings on State Investment Pool services.	\$334,234
Total	<u><u>\$2,369,658</u></u>

State Treasurer

Comparative Summary

Analyst: Headlee

Decision Unit	Agency Request			Governor's Rec		
	FTP	General	Total	FTP	General	Total
FY 2009 Original Appropriation	18.00	1,710,300	2,385,800	18.00	1,710,300	2,385,800
Reappropriation	0.00	0	37,300	0.00	0	37,300
Omnibus Rescission	0.00	0	0	0.00	(68,400)	(68,400)
Health Insurance Reduction	0.00	0	0	0.00	(6,600)	(9,000)
FY 2009 Total Appropriation	18.00	1,710,300	2,423,100	18.00	1,635,300	2,345,700
Removal of One-Time Expenditures	0.00	0	(37,300)	0.00	0	(37,300)
Additional Base Adjustment	0.00	0	0	0.00	700	700
FY 2010 Base	18.00	1,710,300	2,385,800	18.00	1,636,000	2,309,100
Benefit Costs	0.00	10,800	14,900	0.00	4,200	5,900
Inflationary Adjustments	0.00	2,900	5,300	0.00	0	2,400
Replacement Items	0.00	41,600	41,600	0.00	0	27,000
Statewide Cost Allocation	0.00	1,100	1,100	0.00	1,100	1,100
Annualizations	0.00	1,600	1,600	0.00	1,600	1,600
Change in Employee Compensation	0.00	25,900	39,000	0.00	1,600	1,600
FY 2010 Program Maintenance	18.00	1,794,200	2,489,300	18.00	1,644,500	2,348,700
1. Certified Public Accountant	0.00	(500)	49,500	0.00	(3,100)	49,500
2. Software and Software Consultant	0.00	0	83,000	0.00	0	83,000
3. Discontinuance of Expenditure	0.00	(84,500)	(84,500)	0.00	(84,500)	(84,500)
FY 2010 Total	18.00	1,709,200	2,537,300	18.00	1,556,900	2,396,700
Change from Original Appropriation	0.00	(1,100)	151,500	0.00	(153,400)	10,900
% Change from Original Appropriation		(0.1%)	6.4%		(9.0%)	0.5%

State Treasurer

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
FY 2009 Original Appropriation	18.00	1,710,300	675,500	0	2,385,800

Reappropriation

The agency was authorized to reappropriate and carryover its unencumbered and unspent appropriation balance from FY 2008 into FY 2009. Carryover required legislative approval and is removed as a one-time expenditure before calculating the next year's base.

Agency Request	0.00	0	37,300	0	37,300
Governor's Recommendation	0.00	0	37,300	0	37,300

Omnibus Rescission

Agency Request	0.00	0	0	0	0
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General Fund holdbacks, as directed by Executive Orders 2008-3, and 2008-5, are incorporated as a rescission that reduces the General Fund by 4% for FY 2009.

Governor's Recommendation	0.00	(68,400)	0	0	(68,400)
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Health Insurance Reduction

Agency Request	0.00	0	0	0	0
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The Governor recommends reducing the funding for health insurance by \$500 per FTP, using reserves to offset the increased costs of health insurance for the state for FY 2009 and FY 2010.

Governor's Recommendation	0.00	(6,600)	(2,400)	0	(9,000)
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FY 2009 Total Appropriation

Agency Request	18.00	1,710,300	712,800	0	2,423,100
Governor's Recommendation	18.00	1,635,300	710,400	0	2,345,700

Removal of One-Time Expenditures

Remove reappropriation of carry over funds for LGIP as authorized by S1503 (2008).

Agency Request	0.00	0	(37,300)	0	(37,300)
Governor's Recommendation	0.00	0	(37,300)	0	(37,300)

Additional Base Adjustment

Agency Request	0.00	0	0	0	0
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For constitutional officers, the Governor recommends no additional base reduction. The FY 2010 Base is 4.3% below the ongoing FY 2009 General Fund Original Appropriation.

Governor's Recommendation	0.00	700	0	0	700
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FY 2010 Base

Agency Request	18.00	1,710,300	675,500	0	2,385,800
Governor's Recommendation	18.00	1,636,000	673,100	0	2,309,100

Benefit Costs

Provides \$900 per position, which equates to a 10.4% increase for employer-paid health insurance. Also, includes a 19% reduction in life and disability insurance rates from 1.1% to 0.9% of salary for eligible employees.

Agency Request	0.00	10,800	4,100	0	14,900
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The Governor recommends providing an increase of \$400 per FTP and making changes to the health insurance benefits contract to meet expected costs. Including the rescission to reduce health insurance benefit costs in FY 2009 by \$500 per FTP, employer costs per FTP for FY 2010 will be \$8,600.

Governor's Recommendation	0.00	4,200	1,700	0	5,900
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Inflationary Adjustments

Inflationary increases are calculated using the ongoing base for operating expenditures and trustee & benefit payments multiplied by an agency-specific inflation factor. The inflationary adjustment reflects a 0.32% increase in the General Fund and a 0.59% increase in total funds. The requested amount includes \$5,300 for general inflation.

Agency Request	0.00	2,900	2,400	0	5,300
Governor's Recommendation	0.00	0	2,400	0	2,400

State Treasurer

Analyst: Headlee

Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
Replacement Items					
Request for one-time funds to replace or upgrade the following computer hardware and software: \$7,800 for the IBM I-Series Mainframe software and hardware; \$1,200 for the Adobe Professional upgrade; \$6,000 for the SQL server upgrade; \$7,000 for CPU network server; and \$14,000 for network switches; and \$5,600 for two "Business Rugged" laptops.					
Agency Request	0.00	41,600	0	0	41,600
<i>The Governor recommends one-time spending authority for an SQL server at \$6,000, CPU network server at \$7,000, and network switches at \$14,000.</i>					
Governor's Recommendation	0.00	0	27,000	0	27,000
Statewide Cost Allocation					
The request includes adjustments to recover the costs of services provided to state agencies: \$900 for State Controller fees; \$200 for State Treasurer fees.					
Agency Request	0.00	1,100	0	0	1,100
Governor's Recommendation	0.00	1,100	0	0	1,100
Annualizations					
This annualization represents a 1.5% salary increase for elected officials for July 1, 2009 to December 31, 2009.					
Agency Request	0.00	1,600	0	0	1,600
Governor's Recommendation	0.00	1,600	0	0	1,600
Change in Employee Compensation					
Agencies were instructed to calculate a 3% salary increase for employees and a 1.5% increase for elected officials for January 1, 2010 to June 30, 2010 in the appropriation request (as required by Title 59, Chapter 5, Idaho Code).					
Agency Request	0.00	25,900	13,100	0	39,000
<i>While increasing salaries for state workers continues to be a priority for the Governor, the current economic situation does not provide the funds to recommend an increase in FY 2010. When economic conditions improve, the Governor will once again seek to improve compensation for all state employees.</i>					
<i>As required under Title 59, Chapter 5, Idaho Code, the Governor recommends the scheduled salary increases for elected officers. Current statute and Article V, Section 27 of the Idaho State Constitution, prohibit the reduction of officer salary increases regardless of the current General Fund outlook.</i>					
Governor's Recommendation	0.00	1,600	0	0	1,600
FY 2010 Program Maintenance					
Agency Request	18.00	1,794,200	695,100	0	2,489,300
Governor's Recommendation	18.00	1,644,500	704,200	0	2,348,700
1. Certified Public Accountant					
This line item would fund a certified public accountant (CPA) to perform a full range of advanced professional financial duties requiring application of accounting and auditing theory, principals and practices. This position will develop and maintain accounting systems, prepare complex Comprehensive Annual Financial Reports (CAFR) for the State Treasurer's Investment Division, the Idaho Bond Bank Authority and the IDeal 529 College Savings Program. The CPA would design, modify, and implement financial-related systems or have a significant role in their development and audit financial data for completeness and compliance with federal and state laws and regulations. The CPA will participate in developing policies and procedures for financial reporting systems. Additionally, this position will perform complex debt ratio analysis for the Credit Rating Enhancement Committee. The State Treasurer's has a vacant FTP, which is already funded with \$50,400 of General Funds for salary and benefits. To hire a qualified CPA, the State Treasurer is requesting an additional \$43,200 of dedicated funding for salary and benefits and \$6,300 of dedicated funding for capital outlay and operating expenses.					
Agency Request	0.00	(500)	50,000	0	49,500
<i>The Governor recommends the use of an existing Treasury FTP for a Certified Public Accountant position. A limited General Fund ongoing component of \$500 for operating expenses is needed for this position for work that would be performed for General Fund agencies.</i>					
Governor's Recommendation	0.00	(3,100)	52,600	0	49,500

State Treasurer

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Budget by Decision Unit	FTP	General	Dedicated	Federal	Total
2. Software and Software Consultant					
The State Treasurer requests funding to hire a software design consultant, purchase software to provide financial formulas and graphing software to be used in our in-house software, and an ongoing appropriation for software developer license subscriptions and a real-time feed for security market pricing.					
Agency Request	0.00	0	83,000	0	83,000
Governor's Recommendation	0.00	0	83,000	0	83,000
3. Discontinuance of Expenditure					
Currently the Tax Commission uses a third party vendor, Global, which is a banking service used to collect tax payments and it is no longer necessary for the State Treasurer to pay for this service. Therefore, this line item results in a reduction of \$84,500 in General Fund dollars.					
Agency Request	0.00	(84,500)	0	0	(84,500)
Governor's Recommendation	0.00	(84,500)	0	0	(84,500)
FY 2010 Total					
Agency Request	18.00	1,709,200	828,100	0	2,537,300
Governor's Recommendation	18.00	1,556,900	839,800	0	2,396,700
Agency Request					
Change from Original App	0.00	(1,100)	152,600	0	151,500
% Change from Original App	0.0%	(0.1%)	22.6%		6.4%
Governor's Recommendation					
Change from Original App	0.00	(153,400)	164,300	0	10,900
% Change from Original App	0.0%	(9.0%)	24.3%		0.5%